Interim Report and Unaudited Condensed Consolidated Interim Financial Statements

For the period from 1 January 2026 to 30 June 2026

Castelnau Group

We strive to compound shareholders' capital at high rates of return.

Castelnau Group Limited was formed by Phoenix Asset Management Partners Limited in 2020. The listed structure provides the manager with a permanent capital vehicle with which to make long-term investments and acquisitions of all structures and sizes.

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Our Mission

At Castelnau Group we strive to compound shareholders' capital at high rates of return. The higher the better.

We aim to do this by collecting businesses which possess a competitive advantage, at attractive prices.

Our structure helps us clear away short-term pressures that inhibit value creation and nurture rational long-term capital allocation frameworks in our holdings.

Interim Management Report

Summary Information

The Group

Castelnau Group Limited (the "Company", "Castelnau" or "CGL") and its subsidiary (collectively, the "Group" or "Castelnau Group") is a Guernsey domiciled closed-ended investment company which was incorporated on 13 March 2020 under the Companies (Guernsey) Law, 2008. The Company is classified as a registered fund under the Protection of Investors (Bailiwick of Guernsey) Law, 2020. Its registered office address is PO Box 255, Les Banques, Trafalgar Court, St. Peter Port, Guernsey GY1 3QL. The Company's Ordinary Shares were admitted to trading on the London Stock Exchange ("LSE") on 18 October 2021.

This Interim Report and Unaudited Condensed Consolidated Interim Financial Statements (the "Interim Financial Statements") comprise the financial statements of Castelnau Group Limited and Castelnau Group Services Limited (incorporated on 14 June 2022).

Investment Objective

The Group's investment objective is to compound shareholders' capital at a higher rate of return than the FTSE All-Share Total Return Index over the long term.

Investment Policy

The Group will seek to achieve a high rate of compound return over the long term by carefully selecting investments using a thorough and objective research process and paying a price which provides a material margin of safety against permanent loss of capital, but also a favourable range of outcomes.

The Group will follow a high conviction investment strategy. The expertise and processes developed by the Investment Manager can be applied to all parts of the capital structure of a business, both private and publicly quoted. These positions could be represented by a minority stake, a control position combined with operational involvement, full ownership of a company, a joint venture, a loan or convertible instrument, a short position or any other instrument which allows the Group to access value.

The Group may select investments from all asset classes, geographies and all parts of the capital structure of a business. Both private and public markets are within the scope of the Group's investment policy. The constraints on the Investment Manager lie in the high standards, strict hurdles and diligent processes used to select investments. These constraints help to maximise returns by reducing mistakes, enforcing a margin of safety and only accepting investments with a favourable range of outcomes.

The Group expects to hold a concentrated portfolio of investments and the Group will not seek to reduce concentration risk through diversification. The opportunity set will dictate the number of holdings and the weighting of investments in the portfolio. The investments with the best return profiles will receive the largest weightings. The Group will therefore have no set diversification policies.

The volatility of mark-to-market prices does not affect the investment process. It is likely that volatility in the market price of a listed investment will provide attractive entry or exit points and so investors should expect high volatility to sit alongside the high long-term compounding rates that the Group is aiming to achieve.

The constituents of local indices, the weightings of investments in these indices and the volatility of the indices relative to the Group will not affect investment decisions. It is anticipated that agnosticism towards local indices will help focus research efforts, decision making and ultimately investment performance.

The Group may invest directly or through special purpose vehicles if considered appropriate.

Shareholder Information

As at 30 June 2026, the number of Ordinary Shares in issue was 333,508,046 (31 December 2025: 333,508,046). For further details, see note 9 to the Interim Financial Statements.

Summary Information – continued

Results and Performance

The results for the period are set out in the Unaudited Condensed Consolidated Statement of Comprehensive Income.

The Group's profit before tax for the period amounted to £3,075,299 (30 June 2025: £10,406,481).

The benchmark is the FTSE All-Share Total Return Index ("ASX" or the "Benchmark"). The Group's performance over the period and the last financial year is shown below:

	Period ended 30 June 2026 pence	Year ended 31 December 2025 pence	Return %
NAV per Ordinary Share*	113.0	112.1	0.8
Ordinary Share price	89.5	94.3	(5.1)
Benchmark return			7.2

Source: Bloomberg, Phoenix Asset Management Partners Limited.

The Ongoing Charges ratio was as follows:

	Period ended 30 June 2026 %	Year ended 31 December 2025 %
Ongoing Charges ratio*	0.31	0.42

* These are Alternative Performance Measures ("APMs")

Alternative Performance Measures ("APMs")

The disclosures of performance above are considered to represent the Group's APMs. An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. Definitions of these APMs together with how these measures have been calculated can be found on page 46.

Discount/Premium to NAV

The discount/premium of the Ordinary Share price to NAV per Ordinary Share is closely monitored by the Board. The Ordinary Share price closed at a 20.8% discount to the NAV per Ordinary Share as at 30 June 2026 (31 December 2025: discount of 15.9%).

Fees

The Investment Management Agreement ("IMA") with Phoenix Asset Management Partners Limited ("Phoenix" or "PAMP" or the "Investment Manager") creates significant shareholder alignment, as PAMP does not earn a management fee but earns a performance fee only, which is paid in shares, and not in cash.

The Company's performance is measured over consecutive periods of not less than three years (each a "Performance Period") and the performance fee is equal to one-third of the relative outperformance of the NAV Total Return to the Benchmark for each Performance Period. The first Performance Period ran from Initial Admission to 31 December 2024. The fee is calculated with reference to the audited closing NAV rather than the average NAV in the fee calculation and no performance fee will be earned until the NAV per Ordinary Share is above the original NAV per Ordinary Share at Initial Public Offering ("IPO") (100p), adjusted for the performance of the Benchmark. No performance fees have been earned to date.

Dividend

No dividend is being declared for the period (30 June 2025: £Nil).

Chair's Statement

Performance Review

This report covers a six-month period from 1 January 2026 to 30 June 2026.

The total number of Ordinary Shares in the Company at end of the period was 333,508,046 (31 December 2025: 333,508,046).

The share price return over the period was -5.1% (31 December 2025: 0.3%) with a NAV Total Return* of 0.8% (31 December 2025: 14.0%), versus the benchmark FTSE All-Share Total Return Index of 7.2%, which equates to a 6.4% relative underperformance of the NAV.

The main contributor to the increase in NAV was Valderrama Limited ("Valderrama"), with a smaller contribution from Hornby Plc ("Hornby"). Valderrama (Dignity Plc) represents 85% of the portfolio and had a 1.7% increase in fair value. Additional commentary around the performance can be found in the Alternative Investment Fund Manager and Investment Manager's Report.

The CGL share price continues to trade at a discount to NAV, reflecting the situation prevalent in the wider investment trust sector. The Board, along with Panmure Liberum Limited and the Investment Manager, monitor the share price and any corresponding premium or discount on an ongoing basis. There remains an on-going focus to attract new investors to the share register and develop our investor relations offering.

Outlook

Looking ahead, our priorities remain unchanged. Across the Group, we continue to focus on building a collection of businesses that are capable of generating sustainable cash flows while retaining significant long-term growth and value creation opportunities.

Within Dignity Plc ("Dignity"), considerable work is underway to prepare the business for a potential future liquidity event, whilst recognising that such a process will take time and that value creation remains the overriding priority. We continue to support management's investment in technology, legal services, crematoria expansion and customer experience, all of which we believe strengthen the quality and durability of the business.

We are excited about our investment in Iona Star; as well as hopefully producing strong investment returns itself, it also gives us unique insight and access into what is happening at the forefront of artificial intelligence ("AI"). Worldmodeldata Limited, which benefits from the involvement of Yann LeCun, the Turing Award-winning AI researcher and former Meta Chief AI Scientist, is well positioned to benefit from an increasing view that the next frontier lies in 'world models' – systems trained to understand cause and effect in the physical world. We hope to see some of our original capital investment being returned by Iona Star as the investee companies continue to develop.

Elsewhere in the portfolio, the emphasis remains on delivering the strategic transformations already underway. Businesses that remain within the Group will need to demonstrate that they can operate sustainably, generate cash and create value independently. This discipline should allow capital to flow back to the centre of the Group, enhancing our ability to allocate capital into the most attractive long-term opportunities. As you have seen with the post period end sale of Rawnet Limited ("Rawnet"), where there are more suitable homes for portfolio companies, we have taken pro-active strategic action.

* This is an APM.

The portfolio companies remain agile and try new ideas to drive growth and efficiencies. During the period, Cambium International Ltd. ("Cambium") reset their marketing strategy to good effect, reducing spend on social channels that were not delivering appropriate returns. Stanley Gibbons Baldwin's launched a new office in Singapore, giving it a key base in a growing collectibles market and also moving into banknotes, continuing the strategy of expanding into new incremental adjacent markets.

The sale of the Scalextric business by Hornby generated £8.5 million in cash with a further £11.5 million in deferred consideration, allowing Hornby to pay down debt and invest in its other individual brands. With Scalextric's operations continuing to be supported within Hornby's existing infrastructure, we were also pleased to see Mark Brown, President and Chief Executive Officer of the acquiring company – Purbeck Capital Partners – agreeing to take an ongoing role helping Hornby with its wider strategic transformation to a group of entrepreneurial and profitable brands.

Following the period end, Dignity obtained a favourable High Court judgement in relation to its ongoing proceedings concerning the recovery of assets transferred from the Pride Planning Trust. The Court granted a proprietary injunction against Pride Planning Limited and two associated entities, requiring them to preserve assets representing funds received from the trust. The judgement represents a material positive development in Dignity's efforts to recover these assets and supports important aspects of its legal position, although the underlying proceedings remain ongoing.

The first half of 2026 has demonstrated continued execution against the strategy we have outlined over recent years. Although there remains significant work ahead, the Board believes the operational improvements being delivered across the portfolio provide an increasingly solid foundation for long-term shareholder value creation.

The second half of 2026 will be focused on our objectives for all businesses in the portfolio to be cash generative by year end. As we have said previously, we are committed to transparency and open communication with shareholders and if you would like to get in touch directly with me, as the Chair of the Board; please email castelnau_group@ntrs.com.

Joanne Peacegood
Chair

16 September 2026

Holdings as at 30 June 2026

Company	Sector	Holdings	Cost GBP	Carrying Amount GBP	% of net assets 30 Jun 2026	% of net assets 31 Dec 2025
Valderrama Ltd (Dignity Plc)	Specialised Consumer Services - Equity	199,853,403	206,688,950	410,099,651	**108.8%**	107.9%
Hornby Plc	Leisure Products - Equity	98,235,104	40,167,806	20,776,725	**5.5%**	5.1%
Cambium International Ltd	Specialised Consumer Services - Equity	54,474	35,674,787	16,608,160	**4.4%**	4.8%
Phoenix S.G. Ltd	Speciality Retail - Loan	10,103,881	10,093,295	10,093,295	**2.7%**	2.6%
Iona Star LP	IT Services - Equity	-	7,304,506	8,105,680	**2.2%**	1.4%
Cambium International Ltd	Specialised Consumer Services - Loan	7,480,000	7,480,000	7,480,000	**2.0%**	1.8%
Ocula Technologies Holdings Ltd ("Ocula")	IT Services - Equity	1,084,421	1,450,363	4,860,000	**1.3%**	1.5%
Silverwood Brands Plc* ("Silverwood")	Specialised Consumer Services - Equity	12,718,500	7,599,247	3,441,626	**0.9%**	0.7%
Silverwood Brands Plc	Specialised Consumer Services - Loan	855,287	855,287	855,287	**0.2%**	0.2%
Phoenix S.G. Ltd	Speciality Retail - Equity	11,156	24,264,787	741,566	**0.2%**	0.7%
Showpiece Technologies Ltd ("Showpiece")	Internet Retail - Loan	2,993,121	2,900,000	133,000	**0.0%**	0.0%
Rawnet Ltd	IT Services - Equity	284,173	2,750,000	–	**0.0%**	0.0%
Rawnet Ltd	IT Services - Loan	885,255	885,255	–	**0.0%**	0.0%
Showpiece Technologies Ltd	Internet Retail - Equity	8,000	8,000	–	**0.0%**	0.0%
Total holdings				**483,194,990**	**128.2%**	**126.7%**
Other net liabilities				(106,404,444)	(28.2%)	(26.7%)
Net assets				**376,790,546**	**100.0%**	**100.0%**

* As at 30 June 2026, Silverwood Brands Plc is listed on the Aquis Stock Exchange. Its ordinary shares were temporarily suspended in January 2026 but resumed trading in April 2026. Further discussion on the suspension of shares can be found in the Alternative Investment Fund Manager and Investment Manager's Report.

All other companies are unlisted companies. All companies have the majority of operations focused on the UK market.

Portfolio Analysis as at 30 June 2026

Sector	Percentage of Net Assets
Specialised Consumer Services - Equity	114.1%
Leisure Products - Equity	5.5%
IT Services - Equity	3.5%
Speciality Retail - Loan	2.7%
Specialised Consumer Services - Loan	2.2%
Speciality Retail - Equity	0.2%
Other net liabilities	(28.2%)
Total	**100.0%**

Refer to note 4 and note 16 for additional disclosure on the valuation of the holdings.

The Alternative Investment Fund Manager ("AIFM") and Investment Manager's Report

Key Financial Metrics (as at 30 June 2026):

- Net assets: £376.8 million
- Market capitalisation: £298.5 million

Castelnau Group Track Record Performance	**NAV return %**	**Share price total return** %**	**All-Share index** %**	**Relative NAV to ASX %**
2026 (to 30 June)	0.8	(5.1)	7.2	(6.4)
2025	14.0	0.3	24.0	(10.0)
2024	35.4	24.5	9.5	25.9
2023	(3.3)	9.4	7.9	(11.2)
2022	(19.8)	(34.6)	0.3	(20.2)
2021*	(6.5)	5.5	2.5	(9.0)
Cumulative*	13.0	(10.5)	61.6	(48.6)

* From 18 October 2021.

** Share price return with dividends reinvested; All-Share index returns with dividends reinvested. Past performance is not a reliable indicator of future performance.

Source: Bloomberg, Phoenix Asset Management Partners Limited.

The table below reports the portfolio position and returns between 30 June 2026 and 31 December 2025:

	% of GAV*	**% of GAV***	**Ownership %**	**Ownership %**	**Equity Return**	**Combined Debt & Equity Return**	**Total Attribution**
	2026 (to 30 June)	**2025**	**2026 (to 30 June)**	**2025**	**2026 (to 30 June)**	**2026 (to 30 June)**	**2026 (to 30 June)**
Valderrama (Dignity Plc)	83.3%	82.9%	65.9%	65.9%	1.8%	1.8%	2.0%
Hornby	4.2%	3.9%	58.4%	58.2%	9.7%	9.7%	0.5%
Cambium	3.4%	3.7%	92.5%	92.5%	(6.7%)	(3.9%)	(0.3%)
Iona Star	1.6%	1.1%	31.7%	31.7%	8.4%	8.4%	0.2%
Ocula	1.0%	1.2%	35.1%	40.5%	(13.2%)	(13.2%)	(0.2%)
Silverwood	0.7%	0.6%	29.2%	29.2%	26.6%	20.6%	0.2%
Phoenix S.G.	0.2%	0.5%	70.5%	70.5%	(71.2%)	(9.0%)	(0.3%)

**Gross Asset Value (GAV) of Castelnau Group Limited only.*

Source: Phoenix Asset Management Partners Limited.

Performance

Valderrama (Dignity Plc)

Management has continued to execute against Dignity's long-term strategy of becoming the UK's leading end-of-life services provider. Whilst financial performance in the period reflected continued investment in growth initiatives such as into Simplicity Cremations, the operational progress made across the business provides increasing confidence in the long-term opportunity.

The legal services strategy has continued to exceed expectations. During the period, probate services were successfully rolled out across the entire funeral branch network, with demand exceeding initial expectations. Resource capacity constraints are now being addressed through additional recruitment and increased automation, allowing the business to continue expanding efficiently. Alongside wills and probate, the introduction of Lasting Powers of Attorney broadens Dignity's proposition and strengthens customer relationships over the long term.

Simplicity Cremations has continued to establish itself in the prepaid funeral plan market despite significant competitive activity. Market share has continued to grow whilst maintaining a disciplined marketing approach, with encouraging levels of brand awareness and customer conversion. Although continued investment in marketing has reduced short-term profitability, management believes the brand is well positioned for future growth.

The crematoria business has continued to perform well, offsetting some softer performance within attended funerals. Development of Dignity's pipeline of new crematoria sites has progressed, with the first newly developed crematorium expected to commence construction later this year. Continued investment in the estate, combined with growing engagement from funeral directors, supports management's ambition to increase market share over the medium term.

Operational transformation has also accelerated during the period. New finance systems have been rolled out across the business, simplifying processes and reducing administrative costs, while investment in technology continues to modernise Dignity's operating platform. Following completion of the acquisition of the perpetual licence to the Firehawk software, Dignity now has full control over the development roadmap. Having successfully digitalised care-of-the-deceased processes during 2025, work is now focused on digitalising funeral arranging, which is expected to complete during 2026. The business also launched new crematoria websites during the period as part of its wider digital transformation programme.

The Group continues to believe Dignity's vertically integrated model, national footprint and expanding range of end-of-life services provide a unique competitive position. During the period, preparatory work also commenced to position the business for a potential future liquidity event, whilst maintaining management's focus on long-term value creation rather than short-term milestones.

During March 2026, the Competition and Markets Authority announced that it was investigating the historic use of customer reviews by Dignity alongside several other companies. Dignity continues to cooperate fully with the investigation.

As previously reported, following the Financial Conduct Authority ("FCA") regulation of funeral plans in 2022, Dignity agreed to take on customers of certain plan providers that did not receive FCA approval, providing support for almost 60,000 customers that could otherwise have lost the funeral plans they had paid for. Taking on these rescue plans has been a costly exercise for Dignity, and recovering Dignity's share of the payments previously made by these customers to plan providers and associated trusts has been a challenging process.

As part of these recovery efforts, Dignity commenced legal proceedings against Pride Planning Limited ("PPL") and a number of associated parties. Following the period end, on 2 September 2026 the High Court handed down judgement on Dignity's application for injunctive relief. The Court granted Dignity a proprietary injunction against PPL, Pride Planning Holdings DAC and Inertia Financial Consultancy DAC, requiring those entities to preserve any assets they hold representing funds transferred from the relevant trust. The Court also upheld Dignity's ability, together with an appointed representative customer, to pursue the claims on behalf of the relevant customers. The judgement represents a material positive development in Dignity's efforts to recover these assets and supports important aspects of its legal position. The judgement also contained findings which may support potential additional recovery actions against other parties.

The Alternative Investment Fund Manager ("AIFM") and Investment Manager's Report - continued

The underlying legal proceedings remain ongoing and a further hearing is expected to determine, among other matters, the precise terms of the injunction, disclosure requirements, any applications for permission to appeal and costs. Dignity will continue to pursue the recovery of the relevant assets. Further discussion on the financial guarantee can be found in note 17 to the Interim Financial Statements.

Hornby

Hornby reached an important milestone during the first half of 2026 by achieving EBITDA profitability for the first time in a number of years. Whilst there remains considerable work to do, this progress reflects the benefits of the operational and financial restructuring undertaken over recent years and provides an encouraging foundation for future value creation.

During the period, Hornby completed the sale of the Scalextric business for a total consideration of £20 million, receiving £8.5 million cash upfront, with the remainder paid as deferred consideration. The transaction significantly reduced debt using the proceeds of this sale whilst bringing Mark Brown, CEO of Purbeck Capital, into the wider Hornby business to support its strategic transformation. Operational continuity has been maintained through a long-term agency arrangement, allowing management to focus on developing the remaining portfolio of brands.

The strategic transformation of the group has continued at pace. Following a comprehensive organisational review, Hornby has moved into the execution phase of its new operating model, with greater autonomy and accountability being devolved to individual brands. This decentralised structure is intended to improve entrepreneurial decision-making, increase operational agility and strengthen long-term profitability.

Trading during the period reflected the changing shape of the business. The disposal of Scalextric and the move to a distributor model for the US market reduced reported revenues but improved gross margins and simplified operations. Whilst performance in the digital sales channel was temporarily affected by organisational changes, management expects this to improve as the new operating structure becomes established.

The business also completed a leadership transition during the period, with James Wintle appointed as Chief Executive Officer. Commercial progress included expanding relationships with existing retail partners and securing new distribution opportunities, which provides confidence that the underlying brands remain well positioned.

Whilst market conditions remain challenging, management's focus continues to be on improving profitability, cash generation and returns on capital. The Board believes that the operational changes now being implemented should position Hornby to deliver a more sustainable and resilient business over the long term.

Cambium

Cambium continued to make encouraging progress during the first half of 2026, as management maintained its focus on improving profitability while investing selectively in future growth. The group delivered a significant improvement in EBITDA compared with the prior year, driven by stronger performance across its core registry businesses and continued cost discipline.

The Wedding Shop, Prezola and Wedding Present Company all continued to perform well, benefiting from improved conversion rates and stronger margins despite lower customer registrations. Management has refined its marketing strategy, reducing expenditure on lower-return acquisition channels and focusing on attracting higher-quality customers. This has resulted in improved channel efficiency, higher-value customer acquisition and continued growth in cash pledges.

Rock My Wedding's revenues increased year-on-year, supported by growth in paid content and venue listings. Little List also delivered a marked improvement in customer conversion, reflecting ongoing enhancements to the customer proposition and digital platform.

The Group continues to optimise its marketing and commercial strategy while investing in future growth opportunities. Particular focus has been placed on strengthening the pipeline for The Wedding Shop and improving operational efficiency across the business.

The Board believes the progress achieved during the first half demonstrates that Cambium's strategy is delivering improving operating performance. Whilst market conditions within the wedding sector remain mixed, the combination of stronger margins, improved customer quality and disciplined cost management leaves the business better positioned to generate sustainable profitability and long-term shareholder value.

In the core business to the end of July 2026, cash pledges are up 15.8%, with product pledge up 0.7%. Year-to-date registrations are down 12.7%, with conversion at 43.3% compared to 41.1% for the same period last year.

Silverwood

In January 2026, the company's shares were suspended from their listing as a result of delays to the delivery of their annual accounts primarily caused by issues consolidating Japanese and UK accounting information. The accounts were delivered in April 2026 and the shares were reinstated, with additional financial systems and controls implemented subsequently to look to address issues that caused the suspension.

Silverwood continued to make progress during the first half of 2026, with management maintaining its focus on improving the quality of earnings while pursuing selective growth opportunities across the portfolio.

The group's fragrance business continued to perform resiliently, supported by disciplined cost management and ongoing investment in its core brands. Management remains focused on strengthening distribution, broadening customer reach and improving operational efficiency, whilst maintaining a prudent approach to capital allocation.

Balmonds continued to build on its strong position within the specialist skincare market, with management focused on expanding distribution, increasing brand awareness and growing direct-to-consumer sales.

Nailberry maintained its international premium positioning, supported by continued product innovation and the development of distribution channels across key export markets.

Steamcream continued to strengthen its digital presence while refining its product offering and customer proposition, with management focused on improving the economics of the business as it grows.

During the period, the Board continued to evaluate opportunities to realise value from existing investments and to deploy capital selectively into opportunities that complement Silverwood's long-term strategy. The Company remains disciplined in its approach to acquisitions, prioritising businesses that offer strong brands, attractive economics and opportunities for operational improvement.

Phoenix S.G. Limited / Stanley Gibbons Baldwins ("SGB")

SGB continued to execute its strategy of broadening its presence across the global collectibles market during the first half of 2026. Whilst the carrying value of the investment reduced during the period, reflecting the timing of the launch of the digital collector platform being delayed, the underlying business continued to make encouraging operational progress.

The business maintained a full programme of coin, stamp, comic and trading-card auctions throughout the period, with trading cards and wider popular culture categories continuing to perform strongly. Growth in these adjacent markets demonstrates management's ability to expand beyond the group's traditional areas of expertise whilst leveraging its established reputation and specialist knowledge.

A new office was opened in Singapore, providing a presence in an important and growing collectibles market. The new office strengthens relationships with clients and consignors across the region and provides a platform from which the business intends to expand further into adjacent categories, including banknotes.

The Alternative Investment Fund Manager ("AIFM") and Investment Manager's Report - continued

During the period, management continued the development of a unified digital platform that will bring together the group's auction, retail, bullion and publishing activities under a single brand. Development of the new collector platform, SG Collect, remains an important strategic initiative and, whilst its launch has been delayed to allow integration with the wider website redevelopment, management believes the combined platform will significantly enhance the customer experience and support future growth.

The business also continued to benefit from its strategy of expanding into new collecting categories. Strong auction results across trading cards, together with high-profile coin sales, demonstrate the breadth of opportunities available as the collectibles market continues to evolve.

The Board believes SGB is increasingly well positioned to benefit from its diversified product offering, international expansion and continued investment in digital capabilities, providing a stronger platform for long-term value creation.

Ocula

Ocula continued to evolve its product offering during the first half of 2026, as management responded to the rapid pace of change in AI and enterprise automation. The business remains focused on developing practical AI solutions that improve customer productivity while maintaining a disciplined approach to investment.

During the period, Ocula continued the development of its agentic AI capabilities, building on the transition of Ocula Boost into a fully agentic-led platform. Management believes that advances in autonomous AI agents present significant opportunities to enhance customer workflows and automate increasingly complex business processes.

The business also continued to refine its commercial strategy, focusing on customer engagement and the development of solutions that deliver measurable operational benefits. Whilst investment in product development continues, management remains focused on building a scalable software platform capable of supporting long-term recurring revenue growth.

Shortly after the period end, Ocula concluded a further funding round with existing shareholders providing £750,000 via a convertible loan note.

Rawnet

Rawnet continued to focus on improving operational performance and strengthening its long-term commercial position during the first half of 2026. Management remained focused on profitability, cash generation and refining the business's strategic direction in an increasingly competitive digital services market.

The business continued to evolve its service offering, concentrating on higher-value client relationships and specialist digital capabilities. This has been supported by ongoing investment in technical expertise and the development of services aligned with changing customer requirements, particularly in areas where AI can enhance client outcomes and internal efficiency.

Following the period end, Castelnau completed the sale of its holding in Rawnet to the management team. The transaction was structured in exchange for a future profit-sharing arrangement together with the potential for additional consideration should the business be sold in the future. As the investment had previously been written down to nil, the transaction had no impact on the Group's net asset value.

The disposal reflects the Board's ongoing review of the portfolio to ensure that businesses within the Group are aligned with Castelnau's long-term strategy of owning sustainable, cash-generative businesses. Management is well placed to continue developing Rawnet independently, while Castelnau retains the opportunity to participate in future value creation through the agreed profit-share arrangements.

Iona Star

Iona Star continued to make encouraging progress during the first half of 2026, as its portfolio companies benefited from increasing investment and commercial interest in AI. The portfolio remains focused on businesses developing enabling technologies at the forefront of the next generation of AI infrastructure and applications.

During the period, portfolio company Worldmodeldata Limited completed a significant funding round to accelerate the development of training datasets for world models and embodied AI. The appointment of Yann LeCun as Senior Advisor represents a notable endorsement of both the company and the growing importance of world models within the AI ecosystem. Management believes this area represents a significant long-term opportunity as investment across the sector continues to accelerate.

Elsewhere in the portfolio, Cubig received independent industry recognition through inclusion in reports of Gartner, Inc. covering enterprise agentic AI technologies, validating its position within a rapidly developing market. OriginalVoices also announced a strategic partnership with YouGov Plc to launch YouGov Parallax, combining AI-generated digital personas with one of the world's largest consumer research datasets.

The continued progress across the portfolio provides increasing external validation of Iona Star's investment strategy. During the period, management indicated that a number of portfolio developments, including potential realisations and funding rounds, could generate meaningful value, whilst also providing the opportunity to return capital to investors.

The Board believes Iona Star provides Castelnau with valuable exposure to emerging technologies and businesses operating at the forefront of AI. Whilst these investments remain inherently early stage, the progress made during the first half of 2026 reinforces management's conviction in the long-term opportunity presented by the portfolio.

Showpiece

Since the decision not to acquire further assets within Showpiece, the company has been focused on finding opportunities to dispose of the existing assets and return funds to the collectors.

The Darwin Origin of Species was sold in H1 2026 and the majority of funds returned to the collectors, with a 20% premium on the purchase price. At the end of H1 2026, the collectors owning the Edward VIII One Penny coin voted to accept a sale of the asset with a small premium and the company is now completing the sale and arranging to return funds.

The team is actively pursuing opportunities for the Magenta 1c stamp, Andy Warhol's Reigning Queens masterpiece and Banksy Valentine's Day Mascara.

Phoenix Asset Management Partners Limited

16 September 2026

Governance

We intend to conduct ourselves at all times with integrity and fairness.

Board Members

Biographical details of the Directors are as follows:

Joanne Peacegood

Independent Chair

(aged 48)

Joanne has over 25 years of experience in the financial services/asset management sector. Joanne is a non-executive director with a portfolio of clients including financial services and operating businesses. Joanne's portfolio includes listed, private equity, debt, utilities, renewables, hedge, real estate and asset managers. Prior to becoming a Non-Executive Director, Joanne worked for PricewaterhouseCoopers in the Channel Islands, UK and Canada and held leadership roles in audit, controls assurance, risk & quality and innovation & technology.

Joanne is a Fellow Chartered Accountant with the Institute of Chartered Accountants in England and Wales, graduating with an honours degree in accounting and holds the Institute of Directors (IoD) Diploma. Joanne is the Chair of the Guernsey International Business Association and the past Chair of the Guernsey Investment & Fund Association. Joanne resides in Guernsey.

Andrew Whittaker

Independent Non-Executive Director

(aged 53)

Andrew is an experienced director and currently sits on several investment manager and investment fund boards specialising in debt, venture, renewables and buyouts. Andrew has over 20 years of experience in the investment sector and the funds industry.

Andrew is currently the Managing Director of Aver Partners, having previously been Managing Director at Ipes (Barings/Apex) and preceding that, Managing Director at Capita (Sinclair Henderson/Link). He has held senior management roles at Moscow Narodny (VTB Capital), DML (Halliburton) and qualified whilst at Midland (HSBC/Montagu).

Andrew graduated from Cardiff University and Aix-Marseille Université. He is a Chartered Management Accountant and is a Member of the Chartered Institute for Securities and Investment (CISI). Andrew is currently Chair of the British Venture Capital Association (BVCA) Channel Islands Working Group and a member of the Association of Investment Companies' (AIC) Technical Committee. He is a previous Chair of the Guernsey Investment Fund Association (GIFA), Council member of Guernsey International Business Association (GIBA), member of the Association of Real Estate Funds (AREF) Regulatory Committee and of Invest Europe's (formerly European Venture Capital Association's (EVCA)) Technical Group.

Board Members - continued

Joanna Duquemin Nicolle

Independent Non-Executive Director

(aged 56)

Joanna has over 30 years of experience working in the finance industry in Guernsey. Joanna is a Director of Altum (Guernsey) Limited, having previously been Chief Executive Officer of Elysium Fund Management Limited, from its formation in 2006 to January 2025. The Altum Group acquired Elysium in January 2025. Prior to that, Joanna was a Director and the Company Secretary of Collins Stewart Fund Management Limited where she worked on, and led, numerous corporate finance assignments and stock exchange listings in addition to undertaking fund administration and company secretarial duties.

Joanna has extensive experience in the provision of best practice corporate governance and company secretarial services to a diverse range of companies traded on the AIM market of the London Stock Exchange, listed on the Main Market of the London Stock Exchange, Euronext and The International Stock Exchange. Joanna qualified as an associate of The Chartered Governance Institute UK & Ireland (ICSA) in 1994 and was elected to Fellowship in May 2023.

Lady Rachael Robathan

Non-Independent Non-Executive Director

(aged 64)

Lady Robathan has over 20 years of experience in investment management and governance across both the private and public sectors. She is currently an independent non-executive director of Aurora UK Alpha Plc, and has served as a Trustee of Westminster Almshouses since 2010.

Her prior experience includes serving as Leader of Westminster City Council (2020–2022), where she oversaw major strategic initiatives and public-sector investment programmes, and as a Member of the Royal Parks Investment Committee. Earlier in her career, Lady Robathan worked in emerging markets investment management, developing deep expertise in portfolio oversight, stakeholder engagement, and long-term value creation.

Richard Brown

Non-Independent Non-Executive Director

(aged 42)

Richard has almost 20 years of experience across a range of areas of the finance industry. Having graduated with a BSc in Psychology, he qualified as a chartered accountant at KPMG. Subsequently, Richard began working in investment banking at Barclays, Peel Hunt, then latterly at Morgan Stanley before moving into investment management. During Richard's time in investment banking he advised firms ranging from FTSE 50 to private companies, across both M&A and capital markets transactions. Richard currently acts as a non-executive director on the board of Dignity Plc.

Directors' Report

The Directors are responsible for preparing the Interim Report and the Unaudited Condensed Consolidated Interim Financial Statements in accordance with applicable laws and regulations. The Directors consider that the AIFM and Investment Manager's Report on pages 10 to 15 of this Interim Report and Unaudited Condensed Consolidated Interim Financial Statements provide details of the important events which have occurred during the period and their impact on the financial statements.

The following statement on the Principal Risks and Uncertainties, the Related Party Transactions, the Statement of Directors' Responsibilities and the AIFM and Investment Manager's Report together constitute the Directors' Report of the Group for the six months ended 30 June 2026. The outlook for the Group for the remaining six months of the year ending 31 December 2026 is discussed in the AIFM and Investment Manager's Report. Details of the investments held at the period end and the structure of the portfolio at the period end are provided on pages 8 to 9.

The Unaudited Condensed Consolidated Interim Financial Statements have not been audited or reviewed by the Group's independent auditor pursuant to the International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council.

Principal Risks and Uncertainties

The principal risks faced by the Group can be divided into the various areas as follows:

- Valuation of investments
- Market risk
- Interest rate risk
- Liquidity risk

The other risks and uncertainties identified include:

- Credit risk
- Concentration risk
- Cyber risk
- Operational risk
- Regulatory risk
- Geopolitical risk
- Environmental, Social and Governance matters

The principal risks and uncertainties, along with other risks and uncertainties, which have been identified and the approach taken by the Board towards them are disclosed in further detail within the Annual Report for the year ended 31 December 2025, which can be found at the Group's website at https://www.castelnaugroup.com/investor-relations#reports. The Board and Investment Manager do not consider these risks to have changed materially during the six months ended 30 June 2026 and these risks are considered to remain relevant for the remaining six months of the financial year.

Related Party Transactions

The Group's Investment Manager is Phoenix Asset Management Partners Limited. PAMP is considered a related party in accordance with the UK Listing Rules. The Investment Manager will not receive a management fee in respect of its portfolio management services to the Group, but is entitled to a performance fee subject to meeting certain performance thresholds. Details of the investment management arrangements are shown on page 37.

The members of the Board are also considered related parties. Further details of the Board's remuneration and shareholdings can be found in note 13 to the Interim Financial Statements.

There have been no material changes in the related party transactions described in the Annual Report for the year ended 31 December 2025.

Castelnau Group Services Limited

Castelnau Group Services Limited ("CGSL"), the 100% subsidiary of the Castelnau Group, retained the services of an average of six staff during the six-month period to 30 June 2026, all deployed to portfolio companies or to PAMP.

Directors' Report - continued

Sale by Hornby

Hornby Hobbies Limited, an underlying portfolio company of the Group, completed the sale of 100% of the Scalextric business, including its intellectual property and associated assets, to Scalextric Motorsports Ltd. for a total consideration of £20.0 million. £8.5 million of the total consideration was paid in cash up front, with the remaining £11.5 million deferred and payable out of free-cash flow. The proceeds of the sale were used by Hornby to pay down debt and invest in its other individual brands. Scalextric's operations will continue to be supported within Hornby's existing infrastructure. Hornby will manage the Scalextric business as agent. For additional details on the transactions, refer to the AIFM and Investment Manager's Report on page 11.

Going Concern

The Directors have assessed the Group's ability to continue as a going concern, taking into account its investment objective (as set out on page 3), financial risk management strategies, and principal risks.

As part of this assessment, the Directors note that the Group currently has loan liabilities of £87.8 million plus £22.3 million of accrued interest. This is following the refinancing of the £60 million loan with Phoenix UK Fund Limited in September 2025 through a £65 million facility with Shawbrook Bank Limited. The additional headroom available under this facility provided the ability to fund interest payments and facility costs. The remaining £28 million loan facility extends to September 2028, ensuring that the Group retains access to additional cash resources, if required.

At 30 June 2026, the Group's total assets were £489.2 million, predominantly comprising private investments. While these assets are illiquid by nature, they could be realised if necessary to meet the Group's obligations, including debt repayment.

Having considered the refinancing arrangements, available borrowing facilities, the liquidity and value of the Group's asset base, and the expected income profile, the Directors are satisfied that the Group has sufficient resources to continue operations and to meet its liabilities as they fall due for at least twelve months from the date of approval of the Interim Financial Statements. No material uncertainties in respect of the Group's ability to continue as a going concern have been identified. Accordingly, the Interim Financial Statements have been prepared on a going concern basis.

Statement of Directors' Responsibilities

The Directors confirm that to the best of their knowledge:

- These Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, equity and profit or loss of the Group as required by the Financial Conduct Authority Listing Authority's Disclosure and Transparency Rule ("DTR") 4.2.4R.
- The Interim Management Report includes a fair review of the information required by:

  (a) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority, being an indication of important events that have occurred during the period from 1 January 2026 to 30 June 2026 and their impact on the Interim Financial Statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

  (b) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority, being related party transactions that have taken place during the period from 1 January 2026 to 30 June 2026 and that have materially affected the financial position or performance of the Group during that period as included in note 13 and any changes in the related party transactions described in the Annual Report and Audited Consolidated Financial Statements for the year ended 31 December 2025 that could do so.

By order of the Board,

Joanne Peacegood
Director

Andrew Whittaker
Director

16 September 2026

Financial Statements

Unaudited Condensed Consolidated Statement of Comprehensive Income

For the period from 1 January 2026 to 30 June 2026

	Notes	For the period from 1 January 2026 to 30 June 2026 (Unaudited) GBP	For the period from 1 January 2025 to 30 June 2025 (Unaudited) GBP	For the year ended 31 December 2025 (Audited) GBP
Income		1,666,395	1,607,293	3,315,621
Expenses	6	(1,704,199)	(1,372,708)	(7,012,064)
		(37,804)	**234,585**	**(3,696,443)**
Finance costs	14	(3,200,492)	(3,723,885)	(7,879,633)
Movement in expected credit loss provision	4	58,195	(162,255)	(1,161,950)
Net gains on financial assets at fair value through profit or loss	4	6,255,400	14,058,036	58,624,506
Profit before tax		**3,075,299**	**10,406,481**	**45,886,480**
Tax expense		–	(551)	–
Total comprehensive income for the period/year		**3,075,299**	**10,405,930**	**45,886,480**
Earnings per Ordinary Share – Basic and Diluted (pence)	10	0.92	3.14	13.81

All items in the above statement derive from continuing operations. All revenue is attributable to the equity holders of the Group.

The accompanying notes on pages 28 to 45 form an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
NON-CURRENT ASSETS				
Investments - equity	4	464,633,408	402,401,062	456,048,172
Investments - loans	4	–	2,000,000	–
Interest receivable - loans		–	340,845	–
Office equipment		4,347	2,456	4,347
		464,637,755	**404,744,363**	**456,052,519**
CURRENT ASSETS				
Investments - loans	4	18,561,582	21,588,082	17,228,387
Guarantee recovery receivable	17	2,400,000	–	2,400,000
Trade and other receivables	7	3,421,343	1,802,627	2,576,513
Cash and cash equivalents		169,607	138,006	491,182
		24,552,532	**23,528,715**	**22,696,082**
TOTAL ASSETS		**489,190,287**	**428,273,078**	**478,748,601**
CURRENT LIABILITIES				
Financial guarantee liability	17	495,361	–	495,361
Loans payable	14	–	70,250,000	–
Finance costs payable	14	21,935,380	19,398,213	21,897,514
Other payables	8	576,074	390,168	543,427
		23,006,815	**90,038,381**	**22,936,302**
NON-CURRENT LIABILITIES				
Loans payable	14	87,804,555	–	81,268,000
Finance costs payable	14	1,588,371	–	829,052
		89,392,926	**–**	**82,097,052**
TOTAL LIABILITIES		**112,399,741**	**90,038,381**	**105,033,354**
NET ASSETS		**376,790,546**	**338,234,697**	**373,715,247**

	Notes	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
EQUITY				
Share capital	9	299,741,594	299,741,594	299,741,594
Retained earnings		77,048,952	38,493,103	73,973,653
TOTAL EQUITY		**376,790,546**	**338,234,697**	**373,715,247**
Number of Ordinary Shares in issue	9	333,508,046	333,508,046	333,508,046
NAV per Ordinary Share (pence)	11	113.0	101.4	112.1

The Unaudited Condensed Consolidated Interim Financial Statements on pages 23 to 45 were approved and authorised for issue by the Board of Directors on 16 September 2026 and signed on its behalf by:

Joanne Peacegood
Director

Andrew Whittaker
Director

The accompanying notes on pages 28 to 45 form an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Changes in Equity

For the period from 1 January 2026 to 30 June 2026

	Share Capital (Unaudited) GBP	Retained Earnings (Unaudited) GBP	Total (Unaudited) GBP
Balances as at 1 January 2026	299,741,594	73,973,653	373,715,247
Profit for the period	–	3,075,299	3,075,299
Balances as at 30 June 2026	299,741,594	77,048,952	376,790,546

For the period from 1 January 2025 to 30 June 2025

	Note	Share Capital (Unaudited) GBP	Retained Earnings (Unaudited) GBP	Total (Unaudited) GBP
Balances as at 1 January 2025		289,155,779	28,087,173	317,242,952
Profit for the period		–	10,405,930	10,405,930
Issue of Ordinary Shares	9	10,585,815	–	10,585,815
Balances as at 30 June 2025		299,741,594	38,493,103	338,234,697

For the year ended 31 December 2025

	Note	Share Capital (Audited) GBP	Retained Earnings (Audited) GBP	Total (Audited) GBP
Balances as at 1 January 2025		289,155,779	28,087,173	317,242,952
Profit for the year		–	45,886,480	45,886,480
Issue of Ordinary Shares	9	10,585,815	–	10,585,815
Balances as at 31 December 2025		299,741,594	73,973,653	373,715,247

The accompanying notes on pages 28 to 45 form an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Cash Flows

For the period from 1 January 2026 to 30 June 2026

	Notes	For the period from 1 January 2026 to 30 June 2026 (Unaudited) GBP	For the period from 1 January 2025 to 30 June 2025 (Unaudited) GBP	Year to 31 December 2025 (Audited) GBP
Operating activities				
Total comprehensive income for the period/year		3,075,299	10,405,930	45,886,480
Movement in expected credit loss provision	4	(58,195)	162,255	1,161,950
Net gains on financial assets at fair value through profit or loss		(6,255,400)	(14,058,036)	(58,624,506)
Finance costs	14	3,200,492	3,723,885	7,879,633
Financial guarantee expense	6,17	–	–	3,600,000
Depreciation of office equipment		–	–	1,142
Increase in trade and other receivables	7	(844,830)	(936,623)	(1,710,509)
Increase/(decrease) in other payables	8	32,647	(8,871)	144,388
(Increase)/decrease in interest receivable - loans		–	(57,188)	283,657
Cash paid under financial guarantee		–	–	(6,000,000)
Net cash used in operating activities		**(849,987)**	**(768,648)**	**(7,377,765)**
Investing activities				
Purchases of equity		(2,329,836)	(402,273)	(4,487,552)
Loans issued		(1,375,000)	(3,530,000)	(5,270,000)
Cash received from repayment of loans		100,000	–	2,600,000
Purchase of office equipment		–	(1,442)	(4,475)
Net cash used in investing activities		**(3,604,836)**	**(3,933,715)**	**(7,162,027)**
Financing activities				
Finance costs paid		(16,752)	–	(827,395)
Proceeds from loans received		4,150,000	4,690,000	75,708,000
Repayment of loans received	14	–	–	(60,000,000)
Net cash flow from financing activities		**4,133,248**	**4,690,000**	**14,880,605**
(Decrease)/increase in cash and cash equivalents		**(321,575)**	**(12,363)**	**340,813**
Cash and cash equivalents at beginning of period/year		491,182	150,369	150,369
Cash and cash equivalents at end of period/year		**169,607**	**138,006**	**491,182**

The accompanying notes on pages 28 to 45 form an integral part of the Unaudited Condensed Consolidated Interim Financial Statements.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

For the period from 1 January 2026 to 30 June 2026

1. General information

Castelnau Group Limited (the "Company") is a Guernsey domiciled closed-ended investment company which was incorporated in Guernsey on 13 March 2020 under the Companies (Guernsey) Law, 2008. The Company is classified as a registered fund under the Protection of Investors (Bailiwick of Guernsey) Law 2020. Its registered office address is PO Box 255, Les Banques, Trafalgar Court, St. Peter Port, Guernsey GY1 3QL. The Company's Ordinary Shares were admitted to trading on the London Stock Exchange on 18 October 2021.

The Unaudited Condensed Consolidated Interim Financial Statements (the "Interim Financial Statements") comprise the financial statements of Castelnau Group Limited and Castelnau Group Services Limited (the "Subsidiary") (incorporated on 14 June 2022), together referred to as the "Group".

The Group's principal activity is to seek to achieve a high rate of compound return over the long term by carefully selecting investments using a thorough and objective research process and paying a price which provides a material margin of safety against permanent loss of capital, but also a favourable range of outcomes.

Details of the Directors, Investment Manager and Advisers can be found on page 47.

The Interim Financial Statements of the Group are presented for the six months ended 30 June 2026 and were authorised for issue by the Board on 16 September 2026.

2. Material accounting policies

a. Statement of compliance

The Interim Financial Statements of the Group for the period 1 January 2026 to 30 June 2026 have been prepared in accordance with IAS 34, "Interim Financial Reporting", together with applicable legal and regulatory requirements of the Companies (Guernsey) Law, 2008 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ("FCA"). The Interim Financial Statements do not include all the information and disclosure required in the annual financial statements and should be read in conjunction with the Annual Report and Audited Consolidated Financial Statements for the year ended 31 December 2025, which were prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and which received an unqualified audit report.

These Interim Financial Statements are presented in Sterling ("GBP" or "£"), which is also the Group's functional currency.

There are no accounting pronouncements which have become effective from 1 January 2026 that have a significant impact on the Group's Interim Financial Statements.

b. Going concern

The Directors have assessed the Group's ability to continue as a going concern, taking into account its investment objective (as set out on page 3), financial risk management strategies, and principal risks.

As part of this assessment, the Directors note that the Group currently has loan liabilities of £87.8 million plus £22.3 million of accrued interest. This is following the refinancing of the £60 million loan with Phoenix UK Fund Limited in September 2025 through a £65 million facility with Shawbrook Bank Limited. The additional headroom available under this facility provided the ability to fund interest payments and facility costs. The remaining £28 million loan facility extends to September 2028, ensuring that the Group retains access to additional cash resources, if required.

At 30 June 2026, the Group's total assets were £489.2 million, predominantly comprising private investments. While these assets are illiquid by nature, they could be realised if necessary to meet the Group's obligations, including debt repayment.

Having considered the refinancing arrangements, available borrowing facilities, the liquidity and value of the Group's asset base, and the expected income profile, the Directors are satisfied that the Group has sufficient resources to continue operations and to meet its liabilities as they fall due for at least twelve months from the date of approval of the Interim Financial Statements. No material uncertainties in respect of the Group's ability to continue as a going concern have been identified. Accordingly, the Interim Financial Statements have been prepared on a going concern basis.

c. Basis of preparation

The Interim Financial Statements have been prepared under the historical cost basis, except for financial assets held at fair value through profit or loss ("FVTPL") and loans measured at amortised cost less expected credit losses ("ECL"). The material accounting policies adopted in the preparation of these Interim Financial Statements are consistent with the accounting policies stated in notes 2 and 3 of the Audited Consolidated Financial Statements for the year ended 31 December 2025. The preparation of these Interim Financial Statements is in conformity with IAS 34, "Interim Financial Reporting", and requires the Group to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Interim Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could materially differ from those estimates.

d. New standards, interpretations and amendments adopted at 1 January 2026

The accounting policies adopted in the preparation of the Interim Financial Statements are consistent with those followed in the preparation of the Group's Audited Consolidated Financial Statements for the year ended 31 December 2025, which were prepared in accordance with IFRS Accounting Standards as issued by the IASB. There are no accounting pronouncements which have become effective from 1 January 2026 that have a significant impact on the Group's Interim Financial Statements.

There has been no early adoption, by the Group, of any other standard, interpretation or amendment that has been issued but is not yet effective. The new standards, amendments and interpretations not adopted in the current period are not expected to have a material impact on the Group's consolidated financial statements, except for IFRS 18, "Presentation and Disclosure in Financial Statements", which has an effective date of 1 January 2027. The Directors are in process of assessing the impact of the adoption of the new standards on the Group's consolidated financial statements.

e. Basis of consolidation

The Group's Interim Financial Statements consolidate those of the parent company and its subsidiary as at 30 June 2026. The annual reporting date for the Group is 31 December.

A subsidiary is an entity over which the Company exercises control. A subsidiary is fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of the Subsidiary have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of the Subsidiary is recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The main purpose and activities of the Subsidiary are providing services that relate to the Group's investment activities and therefore the entity is required to consolidate the Subsidiary.

Set out below are the details of the Subsidiary held directly by the Company:

Name of Subsidiary	Date of acquisition	Domicile	Ownership
Castelnau Group Services Limited "CGSL"	14 June 2022	United Kingdom	100%

Castelnau Group Limited acquired 50,000 ordinary shares in CGSL at a total cost of £50,000. No goodwill, bargain purchase or other gains were recognised on the acquisition of CGSL.

As at 30 June 2026, the net liability value of CGSL is £23,577 (31 December 2025: net asset value of £254,955) which is made up of assets of £206,366 and liabilities of £229,943 (31 December 2025: assets of £399,734 and liabilities of £144,779).

The objective of CGSL is to provide skilled services to the Group's portfolio companies. Additional background information can be found in the Directors' Report on page 19.

3. Judgements, estimations or assumptions

The assessment of the Group as an investment entity is consistent with that made in the Audited Financial Statements for the year ended 31 December 2025 and therefore the Company has classified its equity investments at fair value through profit or loss in the Statement of Financial Position, with the exception of its subsidiary.
An investment entity is still required to consolidate a subsidiary where that subsidiary largely provides services that relate to the investment entity's activities. The Subsidiary is discussed in note 2e.

All other estimates and judgements made by the Board of Directors are consistent with those made in the Audited Financial Statements for the year ended 31 December 2025.

4. Investments

For the period ended 30 June 2026	FVTPL Equity (Unaudited) GBP	Amortised cost Loans (Unaudited) GBP	Total (Unaudited) GBP
INVESTMENTS			
Opening portfolio cost	323,561,561	20,938,837	344,500,398
Purchases at cost	2,329,836	1,375,000	3,704,836
Proceeds on maturity/principal repayment	–	(100,000)	(100,000)
Closing portfolio cost	**325,891,397**	**22,213,837**	**348,105,234**
Unrealised gains on investments	207,638,561	–	207,638,561
Unrealised losses on investments	(68,896,550)	(3,652,255)*	(72,548,805)
Fair value/carrying amount	**464,633,408**	**18,561,582**	**483,194,990**
Movement in unrealised gains on investments	6,725,961	–	6,725,961
Movement in unrealised losses on investments	(470,561)	58,195*	(412,366)
Net gains on financial assets	**6,255,400**	**58,195**	**6,313,595**

For the year ended 31 December 2025	FVTPL Equity (Audited) GBP	Amortised cost Loans (Audited) GBP	Total (Audited) GBP
INVESTMENTS			
Opening portfolio cost	303,492,833	22,768,837	326,261,670
Purchases at cost	19,573,367	5,270,000	24,843,367
Proceeds on maturity/principal repayment	–	(7,100,000)	(7,100,000)
Adjustment arising from recognition of financial guarantee (note 17)	495,361	–	495,361
Closing portfolio cost	**323,561,561**	**20,938,837**	**344,500,398**
Unrealised gains on investments	200,912,600	–	200,912,600
Unrealised losses on investments	(68,425,989)	(3,710,450)*	(72,136,439)
Fair value/carrying amount	**456,048,172**	**17,228,387**	**473,276,559**
Movement in unrealised gains on investments	66,885,748	–	66,885,748
Movement in unrealised losses on investments	(8,261,242)	(1,161,950)*	(9,423,192)
Net gains/(losses) on financial assets	**58,624,506**	**(1,161,950)**	**57,462,556**

* As at 30 June 2026, £3,652,255 (31 December 2025: £3,710,450) of unrealised losses on investments at amortised cost represented expected credit losses on loan facilities with Showpiece Technologies Limited and Rawnet Limited. The movement of unrealised losses on £58,195 (31 December 2025: £1,161,950) represents the movement in expected credit losses on loans.

The transaction charges on the purchase and sale of investments during the current period were £nil (30 June 2025: £nil) included in the Unaudited Condensed Consolidated Statement of Comprehensive Income.

Refer to note 16 for additional disclosure on the fair value measurement of the investments.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements – continued

4.1 Loans

The Group had a loan facility of £2,000,000 dated 5 June 2024 with Dignity Group Holdings Limited as borrower. The termination date was extended to 31 December 2026, with interest accruing at 15% per annum. The loan was fully repaid on 28 November 2025.

The Group had an original loan facility of £1,500,000 with Rawnet Limited as borrower. Following amendments to the loan agreement and the 2024 partial write-off of £537,000, the principal outstanding was reduced to £885,255 and termination date was extended to 19 February 2026. Interest accrues and is payable on any principal loan amount exceeding £735,255 at a rate of 7% per annum, governed by terms of the amended loan agreement. During the period, the termination date was extended to 31 December 2026. At 30 June 2026, an expected credit loss of £885,255 (31 December 2025: £885,255) was recognised. Subsequent to period end, the loan was deemed repaid and cancelled in full for no consideration, following the sale of the Group's 100% ownership in Rawnet. Further details are discussed in note 18.

The Group had a loan facility of £4,399,999 dated 13 October 2022 with Silverwood Brands Plc ("Silverwood") as borrower. The termination date was 12 April 2024. Following equity conversion in 2024, the capitalised accrued interest of £855,287 is governed by the original loan terms, accruing interest at 15%, with termination date extended to 29 January 2026. During the period, the termination date was extended to 29 July 2026 with a further extension agreed subsequent to period end to 31 December 2026.

The Group had a loan facility of £450,000 dated 15 November 2023 with Phoenix S.G. Limited as borrower. The facility was extended to account for the costs of the administration process for Stanley Gibbons Group Plc, and the initial working capital required for the Strand Collectibles entity which reacquired the assets from administration. The termination date was 31 December 2023, with interest accruing at 5% per annum. Following amendments to the loan agreement in 2024, the facility increased to £11,366,000 and the interest rate was amended to (i) 15% per annum on outstanding principal at 21 October 2024 up to and including £5,933,295 and (ii) 7% per annum payable on outstanding balances exceeding £5,933,295. The termination date was extended to 31 December 2025 with a further extension to 31 December 2026 agreed during the period.

The Group had a loan facility of £2,000,000 dated 11 March 2022 with Cambium Group UK Holdings Limited as original borrower. The termination date was 11 March 2023. Following amendments to the loan agreement in 2023 and 2024, the facility was increased to £15,250,000. The loan was novated with Cambium International Limited ("CBI") as the new borrower and the termination date was extended to 30 June 2025 with £5,000,000 of the outstanding loan was converted into equity. On 23 December 2025, a further £4,500,000 of the outstanding loan was converted into equity via the issuance of 12,843 ordinary shares in CBI to the Group. On 26 June 2025, the termination date was extended to 31 December 2025 and on 30 December 2025, it was further extended to 31 December 2026. Interest accrues and is payable on any loan amount exceeding £6.5 million at a rate of 7% per annum.

The Group has a loan facility of £4,200,000 with Showpiece Technologies Limited as borrower with termination date of 19 November 2024. Following amendments to the loan agreement in 2024, the termination date was extended to 19 November 2025 and on 7 October 2025, it was further extended to 31 December 2026. At 30 June 2026, an expected credit loss of £2,767,000 (31 December 2025: £2,825,195) was recognised. No interest shall accrue or be payable.

The utilised amounts on each facility are disclosed on the Portfolio Holdings on page 8.

4.2 Interests in unconsolidated structured entities

Below is a summary of the Group's holdings in unconsolidated structured entities as at 30 June 2026 and 31 December 2025.

Name of investee company	Date of acquisition	Domicile	Ownership 30 June 2026	Ownership 31 December 2025
Rawnet Limited	12 February 2021	United Kingdom	100.0%	100.0%
Showpiece Technologies Limited	12 November 2021	United Kingdom	80.0%	80.0%
Hornby Plc	14 October 2021	United Kingdom	58.4%	58.2%
Ocula Technologies Holdings Limited	22 January 2021	United Kingdom	40.5%	40.5%
Silverwood Brands Plc	13 October 2022	United Kingdom	29.2%	29.2%
Iona Star LP	25 September 2024	United Kingdom	31.7%	31.7%
Phoenix S.G. Limited	14 October 2021	Cayman Islands	70.5%	70.5%
Cambium International Limited	14 October 2021	Cayman Islands	92.5%	92.5%
Valderrama Limited	14 April 2023	Channel Islands	65.9%	65.9%

5. Segment reporting

The Group had two reportable segments which are Castelnau Group Limited (an investment company with an objective to compound shareholders' capital at a higher rate of return than the FTSE All-Share Total Return Index over the long term) and Castelnau Group Services Limited (a company that provides marketing and branding services). In identifying these operating segments, management follows the objectives of Castelnau Group Limited and Castelnau Group Services Limited.

Segment information for the period is as follows:

	Castelnau Group Limited (Unaudited) GBP	Castelnau Group Services Limited (Unaudited) GBP	Total 30 June 2026 (Unaudited) GBP
Income			
Consultancy services	–	860,950	860,950
Interest income	805,445	–	805,445
Segment income	**805,445**	**860,950**	**1,666,395**
Gross wages	–	(1,062,680)	(1,062,680)
Other expenses	(612,013)	(29,506)	(641,519)
	(612,013)	(1,092,186)	(1,704,199)
Finance costs	(3,200,492)	–	(3,200,492)
Net gains on financial assets	6,313,595	–	6,313,595
Segment profit/(loss) before tax	**3,306,535**	**(231,236)**	**3,075,299**
Taxation	–	–	–
Segment comprehensive income/(loss)	**3,306,535**	**(231,236)**	**3,075,299**
Segment assets	488,983,921	206,366	489,190,287
Segment liabilities	(112,169,798)	(229,943)	(112,399,741)
Segment net assets/(liabilities)	**376,814,123**	**(23,577)**	**376,790,546**

Notes to the Unaudited Condensed Consolidated Interim Financial Statements – continued

Segment information for the year ended 31 December 2025 is as follows:

	Castelnau Group Limited (Audited) GBP	Castelnau Group Services Limited (Audited) GBP	Total 31 December 2025 (Audited) GBP
Income			
Consultancy services	–	1,498,670	1,498,670
Interest income	1,816,729	222	1,816,951
Segment income	**1,816,729**	**1,498,892**	**3,315,621**
Gross wages	–	(1,108,430)	(1,108,430)
Other expenses	(5,827,300)	(76,334)	(5,903,634)
	(5,827,300)	(1,184,764)	(7,012,064)
Finance costs	(7,879,633)	–	(7,879,633)
Net gains on financial assets	57,462,556	–	57,462,556
Segment profit before tax	**45,572,352**	**314,128**	**45,886,480**
Taxation	–	–	–
Segment comprehensive income	**45,572,352**	**314,128**	**45,886,480**
Segment assets	478,348,867	399,734	478,748,601
Segment liabilities	(104,888,575)	(144,779)	(105,033,354)
Segment net assets	**373,460,292**	**254,955**	**373,715,247**

6. Expenses

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Administration fees	81,847	75,466	152,586
Audit fees	37,724	39,073	90,605
Broker fees	37,500	37,500	75,000
Custody fee	36,941	33,087	67,057
Depreciation of office equipment	–	–	1,142
Directors' fee	70,200	70,200	140,400
Employee benefits*	1,062,680	657,771	1,108,430
Legal and professional fees	186,047	322,996	1,531,765
Operating expenses	32,888	21,162	24,723
Sundry costs	129,984	88,992	166,827
Depositary fee	28,388	26,461	53,529
Financial guarantee expense (note 17)	–	–	3,600,000
	1,704,199	**1,372,708**	**7,012,064**

6.1 Employee benefits

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
***Included in expenses**			
Wages and salaries	922,057	579,512	958,947
Employers' national insurance contributions	134,075	68,754	121,500
Pension costs	15,824	7,770	25,075
Employee healthcare	1,224	1,481	2,653
HMRC employers' allowance	(10,500)	254	255
	1,062,680	**657,771**	**1,108,430**

7. Trade and other receivables

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Prepayments	88,638	117,971	72,312
Interest receivable	3,210,206	1,642,893	2,405,702
Trade receivables	122,499	41,763	98,499
	3,421,343	**1,802,627**	**2,576,513**

8. Other payables

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Other accrued expenses	481,583	373,599	466,450
Trade payables	10,083	16,569	871
Social security and other taxes	84,408	–	76,106
	576,074	**390,168**	**543,427**

9. Share capital

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Share capital at the beginning of the period/year	299,741,593	289,155,778	289,155,778
Issue of Ordinary Shares	–	10,585,815	10,585,815
Allotted, called up and fully paid Ordinary Shares*	**299,741,593**	**299,741,593**	**299,741,593**
Class B Share held by the Investment Manager**	1	1	1
Total Share capital at the end of the period/year	**299,741,594**	**299,741,594**	**299,741,594**

Notes to the Unaudited Condensed Consolidated Interim Financial Statements – continued

	30 June 2026 (Unaudited) Number of Ordinary Shares	30 June 2025 (Unaudited) Number of Ordinary Shares	31 December 2025 (Audited) Number of Ordinary Shares
Ordinary Shares at the beginning of the period/year	333,508,046	322,829,422	322,829,422
Issue of Ordinary Shares	–	10,678,624	10,678,624
Total Ordinary Shares in issue at the end of the period/year*	**333,508,046**	**333,508,046**	**333,508,046**
Class B Share held by the Investment Manager**	**1**	**1**	**1**

* No par value with one voting right per share
** Held by the Investment Manager with no voting rights

The Group did not purchase any of its own shares during the period ended 30 June 2026 or during the year ended 31 December 2025. No shares were cancelled during either period/year.

No shares were held in Treasury or sold from Treasury during the period ended 30 June 2026 or during the year ended 31 December 2025.

10. Earnings per Ordinary Share

Earnings per Ordinary Share is based on the profit of £3,075,299 (30 June 2025: £10,405,930) attributable to the weighted average of 333,508,046 (30 June 2025: 330,969,247) Ordinary Shares in issue during the period.

There is no difference between the weighted average diluted and undiluted number of Ordinary Shares. There is no difference between basic and diluted earnings per Ordinary Share as there are no diluted instruments.

11. Net Asset Value per Ordinary Share

The NAV per Ordinary Share is based on the value of net assets of the Group attributed to the Ordinary Shares of £376,790,546 (31 December 2025: £373,715,247) divided by 333,508,046 voting Ordinary Shares in issue at 30 June 2026 (31 December 2025: 333,508,046).

12. Material agreements

Details of the management, administration and secretarial contracts can be found in the Directors' Report of the Group's Audited Consolidated Financial Statements for the year ended 31 December 2025. There were no transactions with Directors other than disclosed in note 13. As at 30 June 2026, there were no fees payable to Phoenix Asset Management Partners Limited ("Phoenix" or "PAMP" or the "Investment Manager").

a) Investment Manager and Alternative Investment Fund Manager (“AIFM”)

The Investment Manager will not receive a management fee in respect of its portfolio management services to the Group. The Investment Manager will become entitled to a performance fee subject to meeting certain performance thresholds.

The Company’s performance is measured over consecutive periods of not less than three years (each a “Performance Period”) and the performance fee is equal to one third of the outperformance of the NAV Total Return (on an undiluted basis and excluding any accrual or payment of the performance fee) after adjustment for inflows and outflows (such inflows and outflows including, for the avoidance of doubt, tender payments and buybacks), with dividends reinvested, over the FTSE All-Share Total Return Index (“Benchmark”), for each Performance Period (or, where no performance fee is payable in respect of a financial year, in the period since a performance fee was last payable). The NAV Total Return is based on the weighted number and NAV of the Ordinary Shares in issue over the relevant Performance Period. The first Performance Period ran from Initial Admission to 31 December 2024.

The fee is calculated by reference to the closing net asset value (“Closing NAV”) rather than the average net asset value, and will be compared to the ‘Benchmark NAV’. The Closing NAV is the reported net asset value of the Company at the period end, excluding any accrued performance fees. This is compared to the Benchmark NAV, which is the Company’s opening NAV for the Performance Period to which the Benchmark return is applied. The Benchmark NAV is also adjusted for the impact of inflows and outflows to the share capital of the Company, to ensure that both the Closing NAV and Benchmark NAV reflect performance adjusted for the impact of these events.

No performance fee will be earned until the NAV per Ordinary Share is above the original NAV per Ordinary Share at IPO (100p), adjusted for the performance of the Benchmark. The fee will be paid in new Ordinary Shares.

During the period, performance fees of £Nil (30 June 2025: £Nil) were charged to the Group, of which £Nil (31 December 2025: £Nil) remained payable at the end of the period/year.

b) Administrator and Secretary

Northern Trust International Fund Administration Services (Guernsey) Limited (the “Administrator”) is entitled to: (i) an administration fee of 0.05% of the NAV of the Company up to £200 million, 0.03% of the NAV of the Company between £200 million and £400 million, and 0.02% of the NAV of the Company over £400 million (subject to a minimum administration fee of £60,000); (ii) a financial reporting fee of £10,000; (iii) a company secretarial services fee of £10,000; and (iv) an additional fee of £2,000 while the Administrator acts as the Company’s nominated firm (as described in the FCA Handbook), in each case per annum (exclusive of VAT). In addition, the Administrator is entitled to certain other fees for ad hoc services rendered from time to time. During the period, fund administration and secretarial fees of £75,247 (30 June 2025: £69,466) were charged to the Group, of which £75,247 (31 December 2025: £71,120) remained payable at the end of the period/year.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements – continued

c) Depositary

Northern Trust (Guernsey) Limited (the "Depositary") is entitled to: (i) a custody fee of 0.02% of the NAV of the Company (subject to a minimum of £20,000); and (ii) a depositary services fee of 0.02% of the NAV of the Company up to £200 million, falling to 0.01% of the NAV of the Company over £200 million (subject to a minimum depositary services fee of £20,000), in each case per annum (exclusive of VAT). In addition, the Depositary is entitled to certain other fees for ad hoc services rendered from time to time. During the period, depositary fees of £28,388 (30 June 2025: £26,461) and custody fees of £36,941 (30 June 2025: £33,087) were charged to the Group, of which £13,121 (31 December 2025: £12,379) and £17,416 (31 December 2025: £16,142) respectively, remained payable at the end of the period/year.

13. Related parties

Directors' remuneration & expenses

The Directors' fees for the period/year are as follows:

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Joanne Peacegood	20,800	20,800	41,600
Andrew Whittaker	18,200	18,200	36,400
Joanna Duquemin Nicolle	15,600	15,600	31,200
David Stevenson*	–	15,600	31,200
Rachael Robathan*	15,600	–	–
Richard Brown	–	–	–
	70,200	**70,200**	**140,400**

£Nil Directors' fees were outstanding as at 30 June 2026 (31 December 2025: £Nil).

Shares held by related parties

The number of Ordinary Shares held by the Directors were as follows:

	30 June 2026 (Unaudited) Number of Ordinary Shares	30 June 2025 (Unaudited) Number of Ordinary Shares	31 December 2025 (Audited) Number of Ordinary Shares
Joanne Peacegood	31,344	31,344	31,344
Andrew Whittaker	40,000	40,000	40,000
Joanna Duquemin Nicolle	75,000	75,000	75,000
David Stevenson*	N/A	–	–
Rachael Robathan*	–	N/A	N/A
Richard Brown	39,000	21,344	39,000

As at 30 June 2026, the Investment Manager held zero Ordinary Shares and 1 Class B Share (31 December 2025: zero Ordinary Shares and 1 Class B Share) of the Issued Share Capital. Partners and employees of the Investment Manager held 258,701 Ordinary Shares at 30 June 2026 (31 December 2025: 251,915 Ordinary Shares) of the Issued Share Capital.

* David Stevenson resigned 31 December 2025 while Rachael Robathan was appointed 1 January 2026.

Valderrama (Dignity Plc)

The Group and SPWOne V Limited ("SPWOne") are currently Valderrama's principal controlling shareholders, with the company having been incorporated for the purposes of a joint venture between the Group and SPWOne. The Group and SPWOne agreed to invest in Valderrama for the purposes of making investments in line with the Group's investment objectives and investment policy, namely the acquisition of Dignity Plc.

Economic interests in Valderrama are held 66% by the Group and 31% by SPWOne, with the remaining 3% held by other parties. Notwithstanding this asymmetry in economic ownership, the Group and SPWOne hold equal voting rights in Valderrama and share joint control of the entity. Governance within the joint venture therefore operates on an equal footing, with key decisions requiring the consent of both parties. As a result, neither party is able to unilaterally control the direction or management of this venture.

Mr. Steven Tatters, who is Chief Operating Officer and a director of Phoenix Asset Management Partners Limited, the Investment Manager, is a director of Valderrama and its subsidiaries. Mr. Tatters is also a director of Dignity Funerals Limited and was a director of Dignity Group Holdings Limited until 1 June 2026.

Mr. Kartik Kumar, an investment analyst at PAMP, was appointed director of Dignity Group Holdings Limited on 1 June 2026.

Loans payable

On 27 August 2024, a revolving loan agreement for £4 million was entered into with Phoenix UK Fund Limited, which was increased to £14 million by 17 June 2025 and subsequently increased to £24 million on 8 October 2025. Interest accrues at 7% per annum and is payable on the termination date. On 10 September 2025, the termination date was extended to 10 September 2028. During the period, the loan facility was further increased to £28 million. As at 30 June 2026, interest accrued was £1,588,371 (31 December 2025: £829,052).

The Group had an unsecured term loan facility of £60 million made available through Phoenix UK Fund Limited, with Morgan Stanley Bank N.A. as original lender. Following the full repayment of the loan principal through a facility drawn with Shawbrook Bank Limited ("Shawbrook") in September 2025, the outstanding interest and fees accrued of £20,437,572 (31 December 2025: £20,437,572) remain owed and repayable on demand. Further discussion on the loan with Shawbrook can be found in note 14.

At 30 June 2026, the outstanding principal debt to Phoenix UK Fund Limited was £23,793,000 (31 December 2025: £19,643,000). Total interest and facility fees charged on the loan facilities with Phoenix UK Fund Limited for the period was £759,319 (30 June 2025: £3,723,885). £Nil was paid during the period (30 June 2025: £Nil), resulting in £22,025,943 payable at 30 June 2026 (31 December 2025: £21,266,624).

Other

Mr. Richard Brown is a non-executive director of the Group, and director and Chief Executive Officer of the Subsidiary. Mr. Brown is also a director of Dignity Group Holdings Limited and Dignity Finance Plc.

Roderick Manzie is a director of the Subsidiary. Mr. Manzie is also a director of certain portfolio holding companies, including companies in the pre-administration Stanley Gibbons Group Plc and Showpiece Technologies Limited. Mr. Manzie became a director of Rawnet Limited on 18 March 2026 and later resigned subsequent to period end on 21 July 2026.

Lorraine Smyth is a director of the Subsidiary. Ms. Smyth was also a director of Rawnet Limited until 18 March 2026.

A number of employees of PAMP hold directorships at certain Group portfolio companies. The directorships are held in the normal course of business to enable PAMP to be represented on the boards of the portfolio companies. These appointments did not give rise to additional remuneration or other benefits from the Group.

The Company has an agreement with Ocula, to provide services to some of the Group's portfolio companies. Ocula charged the Group £125,000 for the six months to 30 June 2026 (30 June 2025: £250,000).

During the six months to 30 June 2026, the Subsidiary provided consultancy services to the Group's portfolio companies of £860,950 (30 June 2025: £704,553). These services were provided in the normal course of business.

14. Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities are disclosed below:

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Loans payable at the beginning of the period/year	81,268,000	65,560,000	65,560,000
Loans received	6,536,555	4,690,000	75,708,000
Repayment of loans received	–	–	(60,000,000)
Loans payable at the end of the period/year	**87,804,555**	**70,250,000**	**81,268,000**
Finance costs payable at the beginning of the period/year	22,726,566	15,674,328	15,674,328
Finance costs charged	3,200,492	3,723,885	7,879,633
Repayment of finance costs	(2,403,307)	–	(827,395)
Finance costs payable at the end of the period/year	**23,523,751**	**19,398,213**	**22,726,566**

On 10 September 2025, the Group entered into a £65 million senior secured revolving credit facility with Shawbrook, secured by £283 million of specific assets of the Company as at 30 June 2026, bearing interest at SONIA plus 3.9% per annum and payable every six months, terminating on 10 September 2028. On 12 September 2025, £60 million of the drawn loan was used to fully repay the £60 million Phoenix UK Fund Limited unsecured term loan principal. Total interest and facility fees charged on the Shawbrook loan for the period was £2,441,173. £2,403,307 was paid during the period, resulting in £1,497,808 payable at 30 June 2026 (31 December 2025: £1,459,942).

As at 30 June 2026, loans payable consists of £23,793,000 principal outstanding to Phoenix UK Fund Limited (see note 13) and £64,011,555 principal outstanding to Shawbrook. Finance costs payable consists of £22,025,943 to Phoenix UK Fund Limited (see note 13) and £1,497,808 to Shawbrook (31 December 2025: £21,266,624 and £1,459,942, respectively).

15. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk, liquidity risk and capital risk.

These Interim Financial Statements do not include the financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the Group's Audited Consolidated Financial Statements for the year ended 31 December 2025.

16. Fair value measurement

IFRS 13 requires the Group to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Valued using quoted prices in active markets for identical assets

Level 2 Valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 Valued by reference to valuation techniques using inputs that are not based on observable market data

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

The following table analyses, within the fair value hierarchy, the Group's investments measured at fair value through profit or loss:

Classification	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Level 3	464,633,408	402,401,062	456,048,172
Total investments held at FVTPL	**464,633,408**	**402,401,062**	**456,048,172**

The Group recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the transfers have occurred. There were no transfers between levels during the period ended 30 June 2026 (31 December 2025: £18,901,475 transferred from Level 1 to Level 3). Following the delisting of Hornby Plc's ("Hornby") ordinary shares in 2025, the Group has classified its holding in Hornby as Level 3. The Group has classified its holding in Silverwood Brands Plc, a company listed on the Aquis Stock Exchange, as Level 3 since 31 December 2023, after trading of Silverwood's ordinary shares were temporarily suspended. Silverwood recommenced trading in April 2024 followed by further suspension in January 2026, resuming trading in April 2026. However, due to the low trading volumes, these shares are not considered to be actively trading and therefore the listed price is not considered to be representative of the fair value. As such, the Group's holding in Silverwood continues to be classified as Level 3 and the measurement of its fair value is discussed on the following page.

The following table presents the movement in Level 3 investments measured at fair value through profit or loss:

	30 June 2026 (Unaudited) GBP	30 June 2025 (Unaudited) GBP	31 December 2025 (Audited) GBP
Level 3 investments			
Opening balance	456,048,172	356,101,455	356,101,455
Purchases of financial assets	2,329,836	9,928,219	18,513,497
Net unrealised gains for the period/year	6,255,400	17,469,913	62,036,384
Transfers from Level 1 to Level 3	–	18,901,475	18,901,475
Adjustment arising from recognition of financial guarantee (note 17)	–	–	495,361
Closing balance	**464,633,408**	**402,401,062**	**456,048,172**

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Measurement of fair value of investments for the period ended 30 June 2026

The same valuation methodology and process was applied for the year ended 31 December 2025, with the exception of the investment in Hornby, which has been valued on a sum-of-the-parts basis, with each segment assessed on a price-to-sales measure reflecting the franchise value of its brands. A base price-to-sales multiple of 1.45x has been applied to the segments, anchored to the recent Scalextric transaction on a fair value adjusted basis and cross-checked against public company trading multiples and recent merger and acquisition transactions in the toys and hobbies sector. All public company multiples are calculated on an enterprise value basis.

Quantitative information of significant unobservable inputs and sensitivity analysis to significant changes in unobservable inputs within Level 3 hierarchy

The significant unobservable inputs used in fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity as at 30 June 2026 are shown below:

As at 30 June 2026 (Unaudited)

Description	Significant unobservable input	Estimate of the input	Sensitivity of fair value to changes in unobservable inputs
Investment in Valderrama	Discount rate	9.5%	An increase to 10%/(decrease to 9%) would (decrease)/increase fair value by (11%)/13%
	Inflation	2.5%	An increase to 3%/(decrease to 2%) would (decrease)/increase fair value by (6%)/16%
	Terminal growth rate	2.4%	An increase to 2.9%/(decrease to 1.9%) would increase/(decrease) fair value by 7%/(7%)
	Trust real returns	2.9%	An increase to 3.4%/(decrease to 2.4%) would increase/(decrease) fair value by 4%/(4%)
Investment in Phoenix S.G.	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (22%)/26%
	1c Magenta asset	£4,675,000	An increase of 10%/(decrease of 10%) would increase/(decrease) fair value by 13%/(13%)
Investment in Hornby	Adjusted revenue	£54,100,000	An increase of 10%/(decrease of 10%) would increase/(decrease) fair value by 12.1%/(12.4%)
	Price to sales multiple	1.45x	An increase of 20%/(decrease of 20%) would increase/(decrease) fair value by 24%/(25%)
Investment in Silverwood	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (12.36%)/14.62%
	Terminal growth rate	2%	An increase to 2.5%/(decrease to 1.5%) would increase/(decrease) fair value by 2.79%/(2.61%)
Investment in Cambium	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (6.7%)/7.0%
	Revenue growth rate	5%	An increase to 6%/(decrease to 4%) would increase/(decrease) fair value by 15.2%/(16.5%)
	Gross profit margin	46%	An increase to 47%/(decrease to 45%) would increase/(decrease) fair value by 5%/(5.6%)

The significant unobservable inputs used in fair value measurement categorised within Level 3 of the fair value hierarchy together with a quantitative sensitivity as at 31 December 2025 are shown below:

As at 31 December 2025 (Audited)

Description	Significant unobservable input	Estimate of the input	Sensitivity of fair value to changes in unobservable inputs
Investment in Valderrama	Discount rate	9.5%	An increase to 10%/(decrease to 9%) would (decrease)/increase fair value by (10.4%)/12%
	Inflation	2.0%	An increase to 2.5%/(decrease to 1.5%) would (decrease)/increase fair value by (14.4%)/15%
	Terminal growth rate	2.4%	An increase to 2.9%/(decrease to 1.9%) would increase/(decrease) fair value by 6.8%/(5.9%)
	Trust real returns	3.5%	An increase to 4%/(decrease to 3%) would increase/(decrease) fair value by 3.9%/(4.2%)
Investment in Phoenix S.G.	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (22%)/26%
	1c Magenta asset	£4,675,000	An increase of 10%/(decrease of 10%) would increase/(decrease) fair value by 13%/(13%)
Investment in Silverwood	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (16.79%)/19.94%
	Terminal growth rate	2%	An increase to 2.5%/(decrease to 1.5%) would increase/(decrease) fair value by 3.7%/(3.37%)
Investment in Cambium	Discount rate	15%	An increase to 16%/(decrease to 14%) would (decrease)/increase fair value by (5.3%)/6.3%
	Revenue growth rate	5%	An increase to 6%/(decrease to 4%) would increase/(decrease) fair value by 14.5%/(13.0%)
	Gross profit margin	46%	An increase to 47%/(decrease to 45%) would increase/(decrease) fair value by 4.5%/(4.5%)

17. Financial guarantee and Guarantee recovery receivable

In 2022, following the introduction of the regulation of the pre-paid funeral plan industry by the FCA, the Dignity Group offered customers of certain funeral plan providers that did not meet the new regulatory requirements, the option to transfer to equivalent funeral plans held within The UK Funerals (2022) Trust ("the Trust"). Under the asset transfer agreements with the ceding trusts, the Dignity Group is entitled to receive an equitable share of the assets held by those trusts, in respect of customers that transferred to Dignity equivalent plans. A significant number of these assets had not been received at the reporting date.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements – continued

Due to uncertainty over the amount and timing of these transfers, Castelnau Group Limited entered into a contractual guarantee on 22 September 2023 (the "Guarantee") with Dignity Funerals Limited ("DFL"), a subsidiary of Dignity Plc, and the trustees of the Trust. Under this arrangement, Castelnau agreed to support the funding of the Trust by guaranteeing that a minimum of £15.4 million of assets would be received.

During 2025, the Trust received £3.3 million of assets from the ceding trusts, reducing the amount of the Guarantee by this amount. During early 2025, Castelnau and DFL also became aware of potential issues in relation to the transfer of the remaining assets from the ceding trusts and are currently pursuing recovery of the remaining balances from these trusts vigorously. While the timing of these recoveries remains subject to ongoing legal proceedings, management currently expects that further amounts will be recovered following success in a recent High Court sitting.

Pursuant to the ongoing legal proceedings and the Guarantee, Castelnau agreed to pay £6.0 million to the Trust in December 2025. Castelnau also entered into a Recovery Mechanism Agreement ("Recovery Agreement") with the Trust. This agreement states that any net recovery the Trusts subsequently receives from the ceding trusts, which is more than the current Guarantee amount outstanding of £6.1 million, is reimbursed to Castelnau until the full £6.0 million is repaid.

Given the status of the legal proceedings, management currently estimates, based on the average of a range of potential outcomes, that £2.4 million will be reimbursed under the Recovery Agreement and this amount has been presented as 'Guarantee recovery receivable' in the Consolidated Statement of Financial Position. The remaining £3.6 million, being the difference between the payments made under the financial guarantee and the amount expected to be reimbursed to Castelnau, has been recognised as an expense in the Group's Consolidated Statement of Comprehensive Income (see note 6).

Following the amendments to the Guarantee, the receipts from the ceding trusts of approximately £3.3 million, and the £6.0 million Guarantee payment to the Trust by Castelnau, Castelnau's maximum cash exposure under the Guarantee at the reporting date is approximately £6.1 million (31 December 2025: £6.1 million). This represents the potential shortfall between the Guarantee amount and assets ultimately transferred from the ceding trusts. The Guarantee has been extended to 31 December 2026, with a mechanism for further extension if required. There is uncertainty over the estimated £2.4 million Guarantee recovery receivable, which is dependent on the outcome of the legal proceedings which could lead to future recognition of some or all of the amount as an expense.

The remaining £6.1 million of the Guarantee is accounted for in accordance with IFRS 9 and is measured at the higher of the ECL and the unamortised amount of the initial fair value of the Guarantee. Management has performed an ECL assessment using probability-weighted recovery outcomes based on reasonable and supportable information available at the reporting date. While management expects that recoveries from the relevant trusts will exceed the guaranteed amount, the recognised liability reflects the probability-weighted impact of potential downside recovery scenarios.

Based on the ECL assessment and the remote expectation that the remaining £6.1 million Guarantee will be exercised, a financial guarantee liability with carrying value of £495,361 has been recognised at the reporting date (31 December 2025: £495,361). The measurement of the financial guarantee involves significant judgement, particularly in assessing expected recovery outcomes and the timing of recoveries, including matters subject to ongoing legal proceedings. Post period end, the High Court granted injunctive relief; details of which are further discussed in note 18. This injunctive relief and any further developments will be incorporated into future assessments.

18. Post period end events

These Interim Financial Statements were approved for issuance by the Board on 16 September 2026. Subsequent events have been evaluated to this date.

In July 2026, the management of Rawnet, a portfolio company, reached an agreement with the Group to acquire 100% of Rawnet. The Group will receive a fixed percentage of profit earned by the company for three years, along with a commitment to further payments should the company be acquired by a third party at a later date. Additionally, the Group's loan with Rawnet was deemed repaid and cancelled in full for no consideration.

On 23 July 2026, Ocula, a portfolio company, concluded a further funding round with existing shareholders and issued a convertible loan note of principal amount £437,000 to the Group.

On 2 September 2026, Dignity, a portfolio company, obtained a favourable High Court judgement in relation to its ongoing proceedings concerning the recovery of assets transferred from the Pride Planning Trust. The Court granted a proprietary injunction against Pride Planning Limited and two associated entities, requiring them to preserve assets representing funds transferred from the relevant trust. The judgement represents a material positive development in Dignity's efforts to recover these assets and supports important aspects of its legal position and Dignity will continue to pursue the recovery of the relevant assets.

There are no other events which took place between the period end and the date of approval of these financial statements that would require disclosure in or adjustments to the amounts recognised in these financial statements.

Alternative Performance Measures (Unaudited)

In accordance with ESMA Guidelines on Alternative Performance Measures ("APMs"), the Board has considered what APMs are included in the Interim Report and Interim Financial Statements which require further clarification. APMs are defined as a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The APMs included in the interim report are unaudited and outside the scope of IFRS Accounting Standards as issued by the IASB.

Discount/Premium

If the share price of an investment company is lower than the NAV per Ordinary Share, the shares are said to be trading at a discount. The size of the discount is calculated by subtracting the share price at period end of 89.5p (31 December 2025: 94.3p) from the NAV per Ordinary Share at period end of 113.0p (31 December 2025: 112.1p) and is usually expressed as a percentage of the NAV per Ordinary Share of 20.8% (31 December 2025: discount of 15.9%). If the share price is higher than the NAV per Ordinary Share, the shares are said to be trading at a premium.

Ongoing Charges

Ongoing Charges is calculated in accordance with the Association of Investment Companies' recommended methodology. The Ongoing Charges represent the Group's operating expenses, excluding finance costs, share issue or buyback costs, non-recurring legal and professional fees and all expenses of the subsidiary, expressed as a percentage of the average of the monthly net assets during the year. The Board continues to be conscious of expenses and works hard to maintain a sensible balance between good quality service and cost.

NAV Total Return

NAV Total Return is the percentage increase or decrease in NAV, inclusive of dividends paid and reinvested, in the reporting period/year. It is calculated by adding the increase or decrease in NAV per Ordinary Share with the dividend per share when paid and reinvested back into the NAV, and dividing it by the NAV per Ordinary Share at the start of the year.

	Period ended 30 June 2026 (Unaudited) pence	Year ended 31 December 2025 (Audited) pence
Opening NAV per Ordinary Share (A)	112.1	98.3
Closing NAV per Ordinary Share	113.0	112.1
Increase in NAV per Ordinary Share (B)	0.9	13.8
NAV Total Return (B/A)	0.8%	14.0%

NAV per Ordinary Share

NAV per Ordinary Share is calculated by dividing the total Net Asset Value of £376,790,546 (31 December 2025: £373,715,247) by the number of Ordinary Shares at the end of the period of 333,508,046 Ordinary Shares (31 December 2025: 333,508,046). This produces a NAV per Ordinary Share of 113.0p (31 December 2025: 112.1p), which was an increase of 0.8% (31 December 2025: increase of 14.0%).

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Andrew Whittaker
Joanna Duquemin Nicolle
Lady Rachael Robathan (appointed 1 January 2026)
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